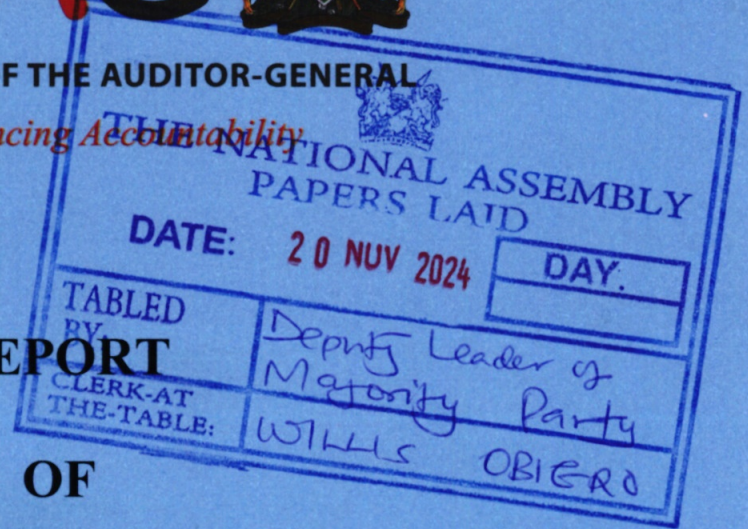


REPUBLIC OF KENYA



OFFICE OF THE AUDITOR-GENERAL

*Enhancing Accountability*



**REPORT**

**OF**

**THE AUDITOR-GENERAL**

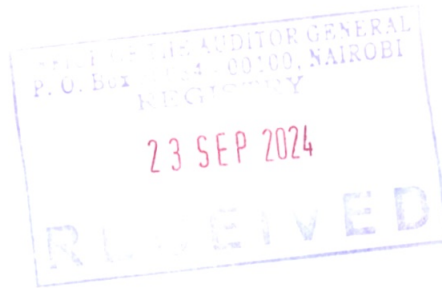
**ON**

**IRIGITHATHI SECONDARY SCHOOL**

**FOR THE SIX MONTHS' PERIOD ENDED  
30 JUNE, 2021**

**NYANDARUA COUNTY**

*Revised 30<sup>th</sup> June 2024.*



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**IRIGITHATHI SECONDARY SCHOOL**  
**ANNUAL REPORT AND FINANCIAL STATEMENTS**  
**FOR THE SIX MONTHS ENDED**  
**30<sup>TH</sup> JUNE 2021**

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**Prepared in accordance with the Cash Basis of Accounting Method under the International Public Sector Accounting Standards (IPSAS)**

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# IRIGITHATHI SECONDARY SCHOOL

## Annual Report and Financial Statements For the six months ended 30<sup>th</sup> June 2021

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**1. Acronyms and Definition of Key Terms**

**A. Acronyms.**

BOM	Board of Management
CEB	County Education Board
IPSAS	International Public Sector Accounting Standards
KCSE	Kenya Certificate of Secondary Education
PFM	Public Finance Management
PSASB	Public Sector Accounting Standards Board
FY	Financial Year
FDSE	Free Day Secondary Education
TSC	Teachers Service Commission
SMASSE	Strengthening of Mathematics and Science in Secondary Education

**B. Definition of Key Terms**

**Comparative Year-** Means the prior period.

*(This list is an indication of the common acronyms and abbreviations; the Entity should include all from the annual report and financial statements prepared)*

## IRIGITHATHI SECONDARY SCHOOL

### Annual Report and Financial Statements For the six months ended 30<sup>th</sup> June 2021

## 2. Key School Information and Management

### (a) Background information

The school is domiciled in Kenya and its operations are governed under the Basic Education Act, 2013. It is in Nyandarua County, Nyandarua North Sub-County.

The school was registered in 22<sup>nd</sup> August 2001 under registration number GP/A/1624/2001 and is currently categorized as a county public school established, owned or operated by the Government.

The school is a day and boarding school and had 427 number of students as at 30<sup>th</sup> June 2021. It has 3 streams and 24 teachers of which 4 teachers are employed by the School Board of Management.

### (b) School Board of Management - Board Members

The School Board of Management established under Section 55 of the Basic Education Act, 2013; is composed of the following members:

Ref:	Name of Board Member	Designation	Date of appointment
1	Dr.Bedan Mbuthia	Chairman	19/7/2019
2	Mr.James Ngige	Secretary - Principal	19/7/2019
3	Mr.James Kabuchi	Member – Rep Community	19/7/2019
4	Mrs Jennifer Wambeti	Member – Rep Community	19/7/2019
5	Mr.Stephen Charagu	Member – Rep Community	19/7/2019
6	Mrs.Margaret Wangonde	Member – Rep Community	19/7/2019
7	Ms. Beatrice Ngige	Member – Rep Community	19/7/2019
8	Mr.Peter Kariuki	Member – Rep Community	19/7/2019
9	Mr.John Mburu	Member-Rep parents	19/7/2019
10	Mr.Peter Karanja	Member – Rep Community	19/7/2019
11	Ms.Mary Maina	Member – Rep Community	19/7/2019
12	Mr.Thomas Gichuru	3 Members - Rep CEB	19/7/2019
13	Mr Stephen Karari	Member –Rep Sponsor	19/7/2019
14	Mr.Joseph Maigua	Member –Rep Sponsor	19/7/2019
15	Prof Geoffrey Mangurio	Member –Rep special interest group	19/7/2019
16	Mrs.Jennifer Wangari	Member Special Needs	19/7/2019
17	Mr.Nelson Waithaka	Member Rep Teachers	19/7/2019

**IRIGITHATHI SECONDARY SCHOOL**

**Annual Report and Financial Statements For the six months ended 30<sup>th</sup> June 2021**

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**The functions of the School Board of Management are to:**

- Promote the best interests of the School and ensure its development.
- Promote quality education for all pupils in accordance with the standards set under the Basic Education Act, of 2013.
- Ensure and assure the provision of proper and adequate facilities for the School.
- Manage the School's affairs in accordance with the rules and regulations governing occupational safety and health.
- Advise the County Education Board on the staffing needs of the School.
- Determine cases of pupils' discipline and make reports to the CEB.
- Prepare comprehensive termly report on all areas of its mandate and submit the report to CEB.
- Administer and manage the resources of the School.
- Receive, collect and account for any funds accruing to the institution in accordance with Article 226 (1) (a) of the Constitution of Kenya, Section 81 of the Public Finance Management Act, 2012 and the Fourth Schedule para 21 and 23 of the Basic Education Act, 2013.

**(c) Committees of the Board**

*(Provide the names of the various committees of the Board established by the Board and the names of the committee members):*

<b>Ref:</b>	<b>Name of Committee</b>	<b>Names of Members</b>	<b>Designation</b>	<b>Number of meetings attended during the year</b>
1	Executive Committee	1.Dr.Bedan Mbuthia 2.Mr.James Ngige 3.Mrs Mary Maina 4.John Mburu	<b>Chairman</b> <b>Secretary</b> <b>Member</b> <b>Member</b>	3 out of 3
2	Audit Committee	1.Dr.Bedan Mbuthia 2.Mr. James Ngige 3.Mr.Thomas Gichuru 4. Mrs Mary Maina 5. Mr.Joseph Maigwa	<b>Chairman</b> <b>Secretary</b> <b>Member</b> <b>Member</b> Member	2 out of 3
3	Finance,procurement and general purposes Committee	1.Mr.Joseph Maigwa 2.Mr.John Mburu 3.Mr.James Ngige 4.Dr.Bedan Mbuthia 5.Mr.Stephen Karari	<b>Chairman</b> <b>Secretary</b> <b>Member</b> <b>Member</b> Member	2 out of 3
4	Development Committee	1.Mr.James Kabuchi 2.Mr.James Ngige 3. Mrs Mary Maina 4. Mr.Peter Kariuki	<b>Chairman</b> <b>Secretary</b> <b>Member</b> <b>Member</b>	3 out of 3

**IRIGITHATHI SECONDARY SCHOOL****Annual Report and Financial Statements For the six months ended 30<sup>th</sup> June 2021**

5	Academic Committee	1.Mr.Thomas Gichruru 2.Mr.James Ngige 3.Prof.Geoffrey Mang'urio 4.Mrs Jennifer Wachira	<b>Chairman</b> <b>Secretary</b> <b>Member</b> <b>Member</b>	3 out of 3
6	Discipline and welfare Committee	1.Mr.Peter Karanja 2.Mr.Nelson Waithaka 3.Mr.Stephen Charagu 4.Mrs.Jennifer Wangari	<b>Chairman</b> <b>Secretary</b> <b>Member</b> <b>Member</b>	1 out of 3

**IRIGITHATHI SECONDARY SCHOOL****Annual Report and Financial Statements For the six months ended 30<sup>th</sup> June 2021**

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**(d) School operation Management**

For the financial year ended 30<sup>th</sup> June, 2021 the School's day-to-day management was under the following persons:

Ref:	Designation	Name	Identification
1	Principal	Mr.James Ngige	TSC No.336457
2	Deputy Principal	Mr.Paul Githiaka	TSC No.416579
3.	School Bursar	Mr.Samuel Karanja	ICPAK No.

**(e) Schools contacts**

Post Office Box: 297-20300  
Telephone: 0722272563  
E-mail: irigithathisecondary@gmail.com

**(f) School Bankers**

The school operated 4 bank accounts as follows;

Name of Bank: KCB  
Branch: Nyahururu  
Account Number: 1102059080

Name of Bank: KCB  
Branch: Nyahururu  
Account Number: 1102061166

Name of Bank: KCB  
Branch: Nyahururu  
Account Number: 1102060984

Name of Bank: KCB  
Branch: Nyahururu  
Account Number: 1115294709

**(g) Independent Auditors**

Office of the Auditor General  
Anniversary Towers, University Way  
P.O. Box 30084  
GPO 00100  
Nairobi, Kenya

**3. Summary Report of Performance of The School**

The following is a summary report of the performance of the school against the set performance evaluation criteria:

**a) Financial performance:**

*(Under this section, the following information should be given:*

- *Surplus/ deficit for the year and a comparison of the same for the last three years*
- *Capitation grants from the Ministry of Education for the last three years*
- *A three-year overview of growth of other income(s) earned by the school.*
- *A three-year overview of growth in expenditure of the school*
- *Movement of debtors and creditors of the school over the last three years*

*Graphical presentation, ratios, tables, and pie charts should be used to show/ indicate trends unless the school is new).*

**b) Teacher Student ratio:**

*(Include the teacher-to-student ratio, number of teachers recruited and posted to the school within the year, number of teachers that were transferred/ retired during the period as well as number of teachers employed by TSC, and number employed by BOM. One may also include how many teachers the school has for each subject to indicate shortage/ allocation of resources).*

**c) The mean score in the 20XX KCSE:**

*Give performance of the school for each over the last three years. Include the number of students that have since transitioned to institutions of higher learning. Include the mean score and comment on improvement or otherwise as compared to the school's set score.*

**d) Number of Candidates in the 20XX KCSE:**

*(Tabulate the number of candidates sitting for KCSE over the last three years).*

**e) The capacity of the school:**

*(Indicate the number of students in the school vis a vie the facilities like the dormitories, the dining hall, the laboratories, toilets and other amenities. This information will provide useful details for the Ministry of Education).*

**IRIGITHATHI SECONDARY SCHOOL**


**Annual Report and Financial Statements For the six months ended 30<sup>th</sup> June 2021**

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**f) Development projects carried out by the school:**

*(Development projects carried out in the year and ongoing projects including a disclosure of project fund sources in a tabular format).*

Projects	Source of funds	Status	Initial Cost (Kshs)	Amount Spent (Kshs)	Expected completion time

NGIGE JAMES   
.....  
School Principal



# IRIGITHATHI SECONDARY SCHOOL

## Annual Report and Financial Statements For the six months ended 30<sup>th</sup> June 2021

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### 4. Statement of School Management Responsibility

Section 81 (1) of the Public Finance Management Act, 2012 requires that, at the end of each financial year, each National Government School shall prepare financial statements in respect of that school. Section 81 (3) requires the financial statements so prepared to be in a form that complies with relevant accounting standards as prescribed by the Public Sector Accounting Standards Board (PSASB) of Kenya from time to time.

Schedule 4 (Section 23) of the Education Act, 2013 requires the Board of Management of a public institution of basic education to keep all proper books and records of accounts of the income, expenditure, and assets of the institution.

The Board of Management of **Irigithathi secondary school** accepts responsibility for the school's financial statements, which have been prepared on the Cash Basis Method of Financial Reporting, using appropriate accounting policies in accordance with International Public Sector Accounting Standards (IPSAS).


The Board of Management is of the opinion that the school's financial statements give a true and fair view of the state of the school's transactions during the six months of the financial year ended 30<sup>th</sup> June, 2021, and of the school's financial position as at that date.

.....  


Name: **John Mburu**

Designation: Chairman, School Board of Management

Date: **19<sup>th</sup> Sept 2024**

.....  


Name: **NGIGE JAMES**

Designation: School Principal & Secretary to Board of Management

Date: **19.09.2024**



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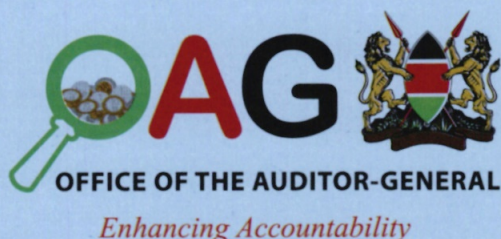

Name: **Winnie Kariuki**

Designation: Bursar/ Finance Officer

Date: **19/09/2024**

# REPUBLIC OF KENYA

Telephone: +254-(20) 3214000  
Email: info@oagkenya.go.ke  
Website: www.oagkenya.go.ke



HEADQUARTERS  
Anniversary Towers  
Monrovia Street  
P.O Box 30084-00100  
NAIROBI

## **REPORT OF THE AUDITOR-GENERAL ON IRIGITHATHI SECONDARY SCHOOL FOR THE SIX (6) MONTHS' PERIOD ENDED 30 JUNE, 2021 - NYANDARUA COUNTY**

### PREAMBLE

I draw your attention to the contents of my report which is in three parts:

- A. Report on the Financial Statements that considers whether the financial statements are fairly presented in accordance with the applicable financial reporting framework, accounting standards and the relevant laws and regulations that have a direct effect on the financial statements.
- B. Report on Lawfulness and Effectiveness in Use of Public Resources which considers compliance with applicable laws, regulations, policies, gazette notices, circulars, guidelines and manuals and whether public resources are applied in a prudent, efficient, economic, transparent and accountable manner to ensure the Government achieves value for money and that such funds are applied for the intended purpose.
- C. Report on the Effectiveness of Internal Controls, Risk Management and Governance which considers how the entity has instituted checks and balances to guide internal operations. This responds to the effectiveness of the governance structure, risk management environment and internal controls, developed and implemented by those charged with governance for orderly, efficient and effective operations of the entity.

An unmodified opinion does not necessarily mean that an entity has complied with all relevant laws and regulations and that its internal controls, risk management and governance systems are properly designed and were working effectively in the financial year under review.

The three parts of the report are aimed at addressing the statutory roles and responsibilities of the Auditor-General as provided by Article 229 of the Constitution, the Public Finance Management Act, 2012 and the Public Audit Act, 2015. The three parts of the report when read together constitute the report of the Auditor-General.

### REPORT ON THE FINANCIAL STATEMENTS

#### **Qualified Opinion**

I have audited the accompanying financial statements of Irigithathi Secondary School - Nyandarua County set out on pages 1 to 21, which comprise of the statement financial

assets and liabilities as at 30 June, 2021 and the statement of receipts and payments, statement of cash flows and notes to the financial statements for the year then ended and a summary of significant accounting policies and other explanatory information in accordance with the provisions of Article 229 of the Constitution of Kenya and Section 35 of the Public Audit Act, 2015. I have obtained all the information and explanations which to the best of my knowledge and belief, were necessary for the purpose of the audit.

In my opinion, except for the effect of the matters described in the Basis for Qualified Opinion section of my report, the financial statements present fairly, in all material respects, the financial position of Irigithathi Secondary School– Nyandarua County as at 30 June, 2021 and of its financial performance and its cash flows for the year then ended, in accordance with International Public Sector Accounting Standards (Cash Basis) and comply with the Basic Education Act, 2013 and the Public Finance Management Act, 2012.

## **Basis for Qualified Opinion**

### **1. Long Outstanding Accounts Receivables**

The statement of financial assets and financial liabilities and Note 13 to the financial statements reflects accounts receivables balance of Kshs.19,719,812 in respect of fees arrears. Included in the balance are receivables amounting to Kshs.16,252,351 which had been outstanding for more than two (2) years.

In the circumstances, the accuracy, completeness and recoverability of the receivables balance of Kshs.16,252,351 could not be confirmed.

### **2. Inaccuracy of Capitation Grants**

The statement of receipts and payments and Notes 1 and 2 to the financial statements reflects capitation grants for tuition and operations amount of Kshs.556,186 and Kshs.3,483,265 respectively. Review of the National Education Management Information System (NEMIS) capitation disbursements made to the School against the amount received by the School revealed an amount of Kshs.4,787,892 whereas the NEMIS capitation schedule reflects an amount of Kshs.4,039,450 resulting to an unexplained variance of Kshs.748,442.

In the circumstances, the accuracy and completeness of capitation grants for tuition and operation of Kshs.556,186 and Kshs.3,483,265 respectively could not be confirmed.

### **3. Unsupported Cash and Cash Equivalents**

The statement of financial assets and financial liabilities and Notes 10 and 11 to the financial statements reflects cash and cash equivalents balance of Kshs.831,286. It was

however noted that the bank reconciliation statement was not approved by an Officer independent of the preparer. Further, the certificate of bank balance was not provided. In addition, Management did not provide the certificate of cash survey to support the cash balance.

In the circumstances, the accuracy, completeness and existence of cash and cash equivalent balance of Kshs.831,286 could not be confirmed.

#### **4. Undisclosed Loan Liability**

Review of documents provided for audit confirmed that, the School entered into an agreement with Kenya Commercial Bank for a credit facility of Kshs.5,129,000 for the purchase of school bus on 19 November, 2016. According to the agreement, the loan was to be repaid within 15-school termly installments of Kshs.479,795 on every January, May and September. The loan was disbursed on 18 October, 2016 and the last payment was to be done 30 September, 2021 and since then the School has not been able to make the termly installments. Further, the loan balance could not be confirmed since the loan statement was not provided.

In the circumstances, the accuracy and completeness of the financial statements could not be confirmed.

#### **5. Inaccuracy in the Financial Statements**

Review of the financial statements presented for audit revealed that the statement of budgeted and actual amounts did not have balances. Further, the heading of the statement of receipts and payments and the statement of cash flows does not properly indicate the period they relate to.

In the circumstances, the accuracy and completeness of the financial statements could not be confirmed.

The audit was conducted in accordance with International Standards of Supreme Audit Institutions (ISSAIs). I am independent of the Irigithathi Secondary School - Nyandarua County Management in accordance with ISSAI 130 on Code of Ethics. I have fulfilled other ethical responsibilities in accordance with the ISSAI and in accordance with other ethical requirements applicable to performing audits of financial statements in Kenya. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my qualified opinion.

#### **Key Audit Matters**

Key audit matters are those matters that, in my professional judgment, are of most significance in the audit of the financial statements. There were no key audit matters to report in the year under review.

# REPORT ON LAWFULNESS AND EFFECTIVENESS IN USE OF PUBLIC RESOURCES

## **Conclusion**

As required by Article 229(6) of the Constitution and based on the audit procedures performed, except for the matters described in the Basis for Conclusion on Lawfulness and Effectiveness in use of Public Resources, I confirm that nothing else has come to my attention to cause me to believe that public resources have not been applied lawfully and in an effective way.

## **Basis for Conclusion**

### **1. Irregular Transfer of Funds to Kenya Secondary Schools Heads Association**

The statement of receipts and payments reflects boarding and school fund payments amount of Kshs.5,522,879 as disclosed in Note 9 to the financial statements. Included in the amount, is an expenditure of Kshs.464,900 which was transferred to Kenya Secondary School Heads Association (KESSHA). However, KESSHA is a welfare organization that draws its membership from school principals only. The organization is not defined in Government Funding system and there is no assurance that it has implemented effective, efficient, and transparent financial management and internal control systems to manage the funds transferred by schools.

In the circumstances, value for money realized from the transfer to KESSHA amounting to Kshs.464,900 could not be confirmed.

### **2. Unconfirmed Students Enrolment Data**

The statement of receipts and payments reflects capitation grants for tuition and capitation grants for operations totaling Kshs.4,039,451 as disclosed in Notes 1 and 2 to the financial statements. Comparison of data from National Education Management and Information System (NEMIS) with records from the County Director of Education revealed that during the financial year 2020/2021, NEMIS reflected 428 students while records from the County Director of Education had 484 students, resulting to unexplained variance of 56 students. The variance led to underfunding of the School by an amount of Kshs.543,206. This was contrary to the Ministry of Education Circular No:MOE.HQS/3/13/3 dated 16 June, 2021 on implementation of Free Day Secondary Education (FDSE) which requires all learners be registered in NEMIS and the principals to ensure their records are accurate.

In the circumstances, underfunding of the school may have affected service delivery to the students.

### **3. Under-Funding of Capitation Grants**

The statement of receipts and payments and Notes 1 and Note 2 to the financial statements reflects capitation grants for tuition and capitation grants for operations amount of Kshs.556,186 and Kshs.3,483,265 respectively. During the financial period, National Education Management Information System (NEMIS) reported a total number of 428 students while the enrolment records provided by the School indicated a total number of 484 students, resulting to an unexplained variance of 56 students. As a result of the variances, the School was under funded by an amount of Kshs.543,206.

In the circumstances, the under-funding of the school may have affected the service delivery to the students.

### **4. Excess Supply of Books**

During the year under review, the Ministry of Education distributed textbooks to public secondary schools through Kenya Institute of Curriculum Development (KICD). Examination of records revealed that the Institute distributed 1,458 books to the school while only 1,157 books were issued to the students, resulting to an unexplained excess text books of 301 books in the store.

In the circumstances, value for money realized on the excess text books could not be confirmed.

### **5. Long Outstanding Accounts Payables**

The statement of financial assets and financial liabilities and Note 14 to the financial statements reflects payables balance of Kshs.4,350,041. However, included in the balance are trade payables balance of Kshs.1,693,540 which had been outstanding for more than 2 years. This was contrary to Section 53(8) of the Public Procurement and Asset Disposal Act, 2015 which states that 'an Accounting Officer shall not commence any procurement proceedings until satisfied that sufficient funds to meet the obligations of the resulting contracts are reflected in approved budget estimates'.

In the circumstances, Management was in breach of the law.

### **6. Failure to Prepare School Improvement Plan**

During the year under review, the School did not have an approved School Improvement Plan. This is contrary to Paragraph 2.2 of the Ministry of Education Operation Manual for Utilization of Learner Capitation Grant and Other School Funds, which requires schools to identify in every three-year school improvement planning cycle, one priority area in each of the four key areas which include curriculum implementation, foundational literacy and numeracy outcomes, an enabling environment for learning and parental involvement and community engagement for implementation.

In the circumstances, Management was in breach of the Ministry of Education Operation Manual.

#### **7. Failure to Transfer Infrastructure Funds from Operations Bank Account**

The statement of receipts and payments and Note 2 to the financial statements reflects operations grants amount of Kshs.3,483,265 which was received from the Ministry of Education and credited in the operations bank account. Included in the amount is Kshs.1,598,750 in respect of infrastructure grants which were to be transferred to infrastructure bank account for maintenance and improvement of the school's facilities. However, only Kshs.800,000 was transferred to infrastructure account, leaving a balance of Kshs.798,750 as at 30 June 2021. This was contrary to the Ministry of Education Circular Ref. No: MOE.HQS/3/13/3 dated 16 June, 2021 which directed that infrastructure grants as well as maintenance and improvement funds should be transferred to the school infrastructure account fifteen (15) days upon receipt of the funds in the operations account.

In the circumstances, Management was in breach of the Ministry of Education Circular.

#### **8. Lack of Budget and Procurement Plans**

The statement of receipts and payments reflects an amount of Kshs.11,821,564 and Kshs.12,820,963 in respect of total receipts and payments respectively. However, during the year, Management did not prepare an annual procurement plan as part of the annual budget preparation process. Further, no budget was provided for review. This was contrary to Regulation 40 of the Public Procurement and Asset Disposal Regulations, 2020 which states that 'a procuring entity shall prepare a procurement plan for each financial year as part of the annual budget preparation process'.

In the circumstances, Management was in breach of the law.

#### **9. Late Submission of Financial Statements to the Auditor-General**

The financial statements for the year 2020/2021 were submitted on 7 March, 2024 to the Auditor-General and not on the statutory date of 30 September, 2021. This is contrary to Section 47(1) of the Public Audit Act, 2015 which requires that financial statements to be submitted to the Auditor-General within three months after the end of the fiscal year to which the accounts relate.

In the circumstances, Management was in breach of the law.

The audit was conducted in accordance with ISSAI 4000. The standard requires that I comply with ethical requirements and plan and perform the audit to obtain assurance about whether the activities, financial transactions and information reflected in the financial statements are in compliance, in all material respects, with the authorities that

govern them. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my conclusion.

## REPORT ON THE EFFECTIVENESS OF INTERNAL CONTROLS, RISK MANAGEMENT AND GOVERNANCE

### Conclusion

As required by Section 7(1)(a) of the Public Audit Act, 2015 and based on the audit procedures performed, except for the matter described in the Basis for Conclusion on Effectiveness of Internal Controls, Risk Management and Governance, I confirm that nothing else has come to my attention to cause me to believe that internal controls, risk management and governance were not effective.

### Basis for Conclusion

#### 1. Lack of Ownership Documents

Review of the financial statements confirmed that the statements did not include a summary of fixed assets as required by Public Sector Accounting Board (PSASB) templates. However, available information confirmed that the school owned a parcel of land of undetermined value which did not have a title deed. Further, the School had a bus valued at Kshs.5,129,000 which did not have a logbook.

In the circumstances, the ownership and safe custody of fixed assets could not be confirmed.

#### 2. Lack of Internal Audit Function and Audit Committee

During the year under review, the school had not constituted an audit committee and an internal audit unit as required by Regulation 166(1) and (2) of the Public Finance Management (National Government) Regulations, 2015 which requires the internal audit unit of a National Government entity to assess effectiveness of the school through an internal performance appraisal commenting on its effectiveness in the annual report to The National Treasury.

In the circumstances, the school did not benefit from the oversight role and advice from the audit committee and the internal audit function.

The audit was conducted in accordance with the International Standards for Supreme Audit Institutions (ISSAIs) 2315 and 2330. The Standards require that I plan and perform the audit to obtain assurance about whether effective processes and systems of internal controls, risk management and overall governance were operating effectively in all material respects. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my conclusion.

## **Responsibilities of Management and those Charged with Governance**

Management is responsible for the preparation and fair presentation of these financial statements in accordance with International Public Sector Accounting Standards (Cash Basis) and for maintaining effective internal control as Management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error and for its assessment of the effectiveness of internal control, risk management and governance.

In preparing the financial statements, Management is responsible for assessing the school's ability to continue to sustain its services, disclosing, as applicable, matters related to the sustainability of services and using the applicable basis of accounting unless Management is aware of the intention to terminate the School or cease operations.

Management is also responsible for the submission of the financial statements to the Auditor-General in accordance with the provisions of Section 47 of the Public Audit Act, 2015.

In addition to the responsibility for the preparation and presentation of the financial statements described above, Management is also responsible for ensuring that the activities, financial transactions and information reflected in the financial statements are in compliance with the authorities which govern them, and that public resources are applied in an effective way.

Those charged with governance are responsible for overseeing the School's financial reporting process, reviewing the effectiveness of how Management monitors compliance with relevant legislative and regulatory requirements, ensuring that effective processes and systems are in place to address key roles and responsibilities in relation to governance and risk management, and ensuring the adequacy and effectiveness of the control environment.

## **Auditor-General's Responsibilities for the Audit**

The audit objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion in accordance with the provisions of Section 48 of the Public Audit Act, 2015 and submit the audit report in compliance with Article 229(7) of the Constitution. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISSAIs will always detect a material misstatement and weakness when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

In addition to the audit of the financial statements, a compliance audit is planned and performed to express a conclusion about whether, in all material respects, the activities, financial transactions and information reflected in the financial statements are in compliance with the authorities that govern them and that public resources are applied in an effective way, in accordance with the provisions of Article 229(6) of the Constitution and submit the audit report in compliance with Article 229(7) of the Constitution.

Further, in planning and performing the audit of the financial statements and audit of compliance, I consider internal control in order to give an assurance on the effectiveness of internal controls, risk management and overall governance processes and systems in accordance with the provisions of Section 7(1)(a) of the Public Audit Act, 2015 and submit the audit report in compliance with Article 229(7) of the Constitution. My consideration of the internal control would not necessarily disclose all matters in the internal control that might be material weaknesses under the ISSAIs. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements caused by error or fraud in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions.

Because of its inherent limitations, internal control may not prevent or detect misstatements and instances of noncompliance. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the school's policies and procedures may deteriorate.

As part of an audit conducted in accordance with ISSAIs, I exercise professional judgement and maintain professional skepticism throughout the audit. I also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management.
- Conclude on the appropriateness of the Management's use of the applicable basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the School's ability to continue to sustain its services. If I conclude that a material uncertainty exists, I am required to draw attention in the auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My

conclusions are based on the audit evidence obtained up to the date of my audit report. However, future events or conditions may cause the school to cease to sustain its services.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information and business activities of the school to express an opinion on the financial statements.
- Perform such other procedures as I consider necessary in the circumstances.

I communicate with Management regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that are identified during the audit.

I also provide Management with a statement that I have complied with relevant ethical requirements regarding independence and to communicate with them all relationships and other matters that may reasonably be thought to bear on my independence and where applicable, related safeguards.

  
FCPA Nancy Gathungu, CBS  
**AUDITOR-GENERAL**

**Nairobi**

**20 September, 2024**

**IRIGITHATHI SECONDARY SCHOOL**Annual Report and Financial Statements For the six months ended 30<sup>th</sup> June 2021**6. Statement Of Receipts and Payments for the Year Ended 30<sup>th</sup> June 20XX**


Description Of Vote Head	Note	2021	2020
		Kshs	Kshs
<b>Receipts</b>			
Government grants for tuition	1	556,186	816,276
Government grants for operations	2	3,483,265	6,909,495
Government Grants for infrastructure	3	800,000	0
School fund income- parents' contributions	4	6,982,113	6,127,662
Miscellaneous incomes	5	0	0
<b>Total Receipts</b>		<b>11,821,564</b>	<b>13,853,433</b>
<b>Payments</b>			
Tuition	6	971,669	1,592,871
Operations	7	5,726,175	9,758,884
Infrastructure	8	600,240	0
Boarding and school fund	9	5,522,879	5,502,199
<b>Total Payments</b>		<b>12,820,963</b>	<b>16,853,954</b>
<b>Surplus/Deficit</b>		<b>(999,399)</b>	<b>(3,000,521)</b>

The school financial statements were approved on \_\_\_\_\_ 20XX and signed by:

  
 Name: JOHN MBURU

Chair BOM

Date: 19<sup>th</sup> sept 2024

  
 Name: NGIGE JAMES

School Principal/ Secretary to BOM

Date: 19.09.2024

  
 Name: Winnie Kagitile

Bursar/ Finance Officer

Date: 19/09/2024



**IRIGITHATHI SECONDARY SCHOOL**

**Annual Report and Financial Statements For the six months ended 30<sup>th</sup> June 2021**

**7. Statement of Assets and Liabilities as At 30<sup>th</sup> June 2021**

Description	Note	2021	2020
		Kshs	Kshs
<b>Financial Assets</b>			
<b>Cash and cash equivalents</b>			
Bank balances	10	738,145	434,778
Cash balances	11	93,142	75,034
Short term investments	12	0	0
<b>Total cash and cash equivalent</b>		<b>831,286</b>	<b>509,812</b>
Account's receivables	13	19,719,812	17,803,032
<b>Total financial assets (a)</b>		<b>20,551,098</b>	<b>18,312,844</b>
<b>Financial liabilities</b>			
Accounts payables	14	4,350,041	3,336,940
<b>Total Financial Labilities (b)</b>		<b>4,350,041</b>	<b>3,336,940</b>
<b>Net financial assets (a-b)</b>		<b>16,201,057</b>	<b>14,975,904</b>
<b>Represented by</b>			
Accumulated fund b/fwd	15	17,200,456	17,380,328
Surplus/deficit for the year		(999,399)	(3,000,521)
<b>Net Assets</b>		<b>16,201,057</b>	<b>14,975,904</b>

The school's financial statements were approved on \_\_\_\_\_ 20XX and signed by:

.....  
*[Signature]*

Name: *John Mburu*

Chair BOM

Date: *19<sup>th</sup> Sept 2024*

.....  
*[Signature]*

Name: *NGIGE JAMES*  
 School Principal/ Secretary to BOM

Date: *19.09.2024*

.....  
*[Signature]*

Name: *Kinnie Harika*

Bursar/ Finance Officer

Date: *19/09/2024*



**IRIGITHATHI SECONDARY SCHOOL**Annual Report and Financial Statements For the six months ended 30<sup>th</sup> June 2021**8. Statement of Cash Flows for the Year Ended 30<sup>th</sup> June 20XX**

<b>Description</b>	<b>Note</b>	<b>2021</b>	<b>2020</b>
		<b>Kshs</b>	<b>Kshs</b>
<b>Cash from Operating Activities</b>			
<b>Receipts</b>			
Government grants for tuition		556,186	816,276
Government grants for operations		3,483,265	6,909,495
Government grants for infrastructure		0	0
School fund income- parents contributions/ fees		6,982,113	6,127,662
Other income		0	0
<b>Total receipts</b>		<b>11,021,564</b>	<b>13853433</b>
<b>Payments</b>			
Cash outflows for tuition		475,486	1,592,871
Cash outflows for operations		5,237,383	7,858,078
Cash outflows Boarding/lunch and school fund payments		4,806,211	5,475,259
<b>Total payments</b>		<b>(10,519,085)</b>	<b>(14,926,209)</b>
<b>Net cash inflow/outflow from operating activities</b>		<b>502,479</b>	<b>(1,072,776)</b>
<b>Cash flow from investing activities</b>			
Acquisition of assets		0	0
Proceeds from sale of Assets		0	0
Proceeds from investments		0	0
Purchase of investments		0	0
<b>Net cash inflow/outflows from investing activities</b>		<b>0</b>	<b>0</b>
<b>Cash flow from Financing activities</b>			
Proceeds from borrowings/ loans	<b>18</b>	0	0
Repayment of principal borrowings		0	0
<b>Net cash inflow/outflow from financing activities</b>		<b>0</b>	<b>0</b>
<b>Net increase/decrease in cash and cash equivalents</b>		<b>321,474</b>	<b>400,893</b>
Cash and cash equivalent at beginning of the FY		509,812	910,705
<b>Cash and cash equivalent at end of the FY</b>		<b>831,286</b>	<b>509,812</b>

Note: Cash and Cash Equivalent is the summation of Note 10, 11 and 12.

(The above presentation of the cash flow statement uses the direct method of cash flow presentation which is encouraged under IPSAS. Schools should therefore adopt the direct method of cash flow as recommended by PSASB).

**IRIGITHATHI SECONDARY SCHOOL**

**Annual Report and Financial Statements For the six months ended 30<sup>th</sup> June 2021**

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The school's financial statements were approved on \_\_\_\_\_ 20 and signed by:

  
.....

Name: **JOHN MBURU**

Chair BOM

Date: **19<sup>th</sup> Sept 2024**

  
.....

Name: **NGIGE JAMES**  
School Principal/ Secretary to  
BOM

Date: **19.09.2024**

  
.....

Name: **Winnie Kariuki**

Bursar/ Finance Officer

Date: **19/09/2024**



**IRIGITHATHI SECONDARY SCHOOL**
**Annual Report and Financial Statements For the six months ended 30<sup>th</sup> June 2021**
**9. Statement Of Budgeted Versus Actual Amounts for The Year Ended 30<sup>th</sup> June 20XX**

Receipt/Expenses Item	Original Budget	Adjustments	Final Budget	Actual On Comparable Basis	% Of Utilization
	a	b	c=a+b	d	e=d/c %
	Kshs	Kshs	Kshs	Kshs	Kshs
<b>Receipts</b>					
<i>(1) Capitation Grant on Tuition</i>					
Reference Materials	xxx	xxx	xxx	xxx	x
Exercise Books	xxx	xxx	xxx	xxx	x
Laboratory Equipment	xxx	xxx	xxx	xxx	x
Internal Exams	xxx	xxx	xxx	xxx	x
Teaching / Learning Materials	xxx	xxx	xxx	xxx	x
Exams And Assessment	xxx	xxx	xxx	xxx	x
<i>(2) Capitation Grant on Operations</i>					
Personnel Emoluments	xxx	xxx	xxx	xxx	x
Repairs And Maintenance	xxx	xxx	xxx	xxx	x
Local Transport / Travelling	xxx	xxx	xxx	xxx	x
Electricity And Water	xxx	xxx	xxx	xxx	x
Medical	xxx	xxx	xxx	xxx	x
Administration Costs	xxx	xxx	xxx	xxx	x
Activity	xxx	xxx	xxx	xxx	x
Gratuity	xxx	xxx	xxx	xxx	x
	xxx	xxx	xxx	xxx	x

**IRIGITHATHI SECONDARY SCHOOL**
**Annual Report and Financial Statements For the six months ended 30<sup>th</sup> June 2021**

Receipt/Expenses Item	Original Budget	Adjustments	Final Budget	Actual On Comparable Basis	% Of Utilization
	a	b	c=a+b	d	e=d/c %
	Kshs	Kshs	Kshs	Kshs	Kshs
<b>3) FDSE for infrastructure</b>					
Maintenance & Improvement MoE	xxx	xxx	xxx	xxx	x
M&I parents' contribution	xxx	xxx	xxx	xxx	x
Economic Stimulus Programs	xxx	xxx	xxx	xxx	x
Transition Infrastructure Grants	xxx	xxx	xxx	xxx	x
Administration Block	xxx	xxx	xxx	xxx	x
<b>(4) Fees Charged on Parents</b>					
Personnel Emoluments	xxx	xxx	xxx	xxx	x
Repairs And Maintenance	xxx	xxx	xxx	xxx	x
Local Transport / Travelling	xxx	xxx	xxx	xxx	x
Electricity And Water	xxx	xxx	xxx	xxx	x
Medical	xxx	xxx	xxx	xxx	x
Administration Costs	xxx	xxx	xxx	xxx	x
Activity	xxx	xxx	xxx	xxx	x
SMASSE	xxx	xxx	xxx	xxx	x
Fee On Boarding Equipment and Stores	xxx	xxx	xxx	xxx	x
<b>5) Miscellaneous Income</b>					
Loans / Borrowing	xxx	xxx	xxx	xxx	x
Rent income	xxx	xxx	xxx	xxx	x
Income From Farming Activities	xxx	xxx	xxx	xxx	x
Insurance Compensation	xxx	xxx	xxx	xxx	x
Income From Posho Mill	xxx	xxx	xxx	xxx	x

**IRIGITHATHI SECONDARY SCHOOL**
**Annual Report and Financial Statements For the six months ended 30<sup>th</sup> June 2021**

Receipt/Expenses Item	Original Budget	Adjustments	Final Budget	Actual On Comparable Basis	% Of Utilization
	<b>a</b>	<b>b</b>	<b>c=a+b</b>	<b>d</b>	<b>e=d/c %</b>
	<b>Kshs</b>	<b>Kshs</b>	<b>Kshs</b>	<b>Kshs</b>	<b>Kshs</b>
Income From Bus Hire	xxx	xxx	xxx	xxx	x
Fee For Hire of Ground and Equipment	xxx	xxx	xxx	xxx	x
Interest Income	xxx	xxx	xxx	xxx	x
Income From Any Other Investment	xxx	xxx	xxx	xxx	x
<b>Total Income</b>					
<b><i>(6) Expenditure For Tuition</i></b>					
Textbooks	xxx	xxx	xxx	xxx	x
Reference Materials	xxx	xxx	xxx	xxx	x
Exercise Books	xxx	xxx	xxx	xxx	x
Laboratory Equipment	xxx	xxx	xxx	xxx	x
Internal Exams	xxx	xxx	xxx	xxx	x
Teaching / Learning Materials	xxx	xxx	xxx	xxx	x
Chalks	xxx	xxx	xxx	xxx	x
Exams And Assessment	xxx	xxx	xxx	xxx	x
Teachers Guides	xxx	xxx	xxx	xxx	x
Administration Costs	xxx	xxx	xxx	xxx	x
Bank Charges	xxx	xxx	xxx	xxx	x
<b><i>(7) Expenditure For Operations</i></b>					
Personnel Emoluments	xxx	xxx	xxx	xxx	x
Repairs, Maintenance & Improvements	xxx	xxx	xxx	xxx	x
Local Transport / Travelling	xxx	xxx	xxx	xxx	x

**IRIGITHATHI SECONDARY SCHOOL**
**Annual Report and Financial Statements For the six months ended 30<sup>th</sup> June 2021**

Receipt/Expenses Item	Original Budget	Adjustments	Final Budget	Actual On Comparable Basis	% Of Utilization
	a	b	c=a+b	d	e=d/c %
	Kshs	Kshs	Kshs	Kshs	Kshs
Electricity, Water and Conservancy	xxx	xxx	xxx	xxx	x
Medical	xxx	xxx	xxx	xxx	x
Administration Costs	xxx	xxx	xxx	xxx	x
Activity Expenses	xxx	xxx	xxx	xxx	x
Gratuity	xxx	xxx	xxx	xxx	x
SMASSE	xxx	xxx	xxx	xxx	x
<b><i>(8) Expenditure For infrastructure</i></b>					
Construction of classrooms	xxx	xxx	xxx	xxx	x
Construction of LAB	xxx	xxx	xxx	xxx	x
Construction of DORMS	xxx	xxx	xxx	xxx	x
Purchase of furniture	xxx	xxx	xxx	xxx	x
Purchase of equipment	xxx	xxx	xxx	xxx	x
Purchase of machinery	xxx	xxx	xxx	xxx	x
<b><i>(9) Expenditure For school fund/lunch/boarding</i></b>					
Personnel Emoluments	xxx	xxx	xxx	xxx	x
Repairs, Maintenance and Improvements	xxx	xxx	xxx	xxx	x
Local Transport / Travelling	xxx	xxx	xxx	xxx	x
Electricity, Water and Conservancy	xxx	xxx	xxx	xxx	x
Medical Expenses	xxx	xxx	xxx	xxx	x

**IRIGITHATHI SECONDARY SCHOOL****Annual Report and Financial Statements For the six months ended 30<sup>th</sup> June 2021**

<b>Receipt/Expenses Item</b>	<b>Original Budget</b>	<b>Adjustments</b>	<b>Final Budget</b>	<b>Actual On Comparable Basis</b>	<b>% Of Utilization</b>
	<b>a</b>	<b>b</b>	<b>c=a+b</b>	<b>d</b>	<b>e=d/c %</b>
	<b>Kshs</b>	<b>Kshs</b>	<b>Kshs</b>	<b>Kshs</b>	<b>Kshs</b>
Administration Costs	xxx	xxx	xxx	xxx	x
Activity	xxx	xxx	xxx	xxx	x
Gratuity	xxx	xxx	xxx	xxx	x
Lunch Programme	xxx	xxx	xxx	xxx	x
Boarding Equipment and Stores	xxx	xxx	xxx	xxx	x
Expenditure For Income Generating Activity	xxx	xxx	xxx	xxx	x
Insurance Costs	xxx	xxx	xxx	xxx	x
Other Expenses On Investments	xxx	xxx	xxx	xxx	x
Rent Expenses	xxx	xxx	xxx	xxx	x
Bank Charges	xxx	xxx	xxx	xxx	x
Loan Interest Repayment	xxx	xxx	xxx	xxx	x
Loan Principal Repayment	xxx	xxx	xxx	xxx	x
Acquisition Of Assets	xxx	xxx	xxx	xxx	x
<b>Totals</b>	<b>xxx</b>	<b>xxx</b>	<b>xxx</b>	<b>xxx</b>	<b>x</b>

*[Provide below a commentary on significant underutilization (below 90% of utilization) and any overutilization above 100%]*

- i. Xxx*
- ii. Xxx*

**10. Significant Accounting Policies**

The principal accounting policies adopted in the preparation of these financial statements are set out below:

**1. Statement of compliance and basis of preparation**

The financial statements have been prepared in accordance with and comply with International Public Sector Accounting Standards (IPSAS) with particular emphasis on Cash Basis Financial Reporting under the Cash Basis of Accounting and applicable government legislations and regulations. The financial statements comply with and conform to the form of presentation prescribed by the Public Sector Accounting Standards Board of Kenya.

This cash basis of accounting has been supplemented with accounting for; a) receivables that include school fees from parents, imprest, salary advances and other receivables and b) payables that include deposits and retentions and payables from operations.

The financial statements are presented in Kenya Shillings, which is the functional and reporting currency of the *school*, and all values are rounded to the nearest Kenya Shilling (Kshs). The accounting policies adopted have been consistently applied to all the years presented.

**2. Recognition of receipts and payments**

The *school* recognises all receipts from various sources when the event occurs, and the related cash has been received by the *school*. In addition, the *school* recognises all expenses when the event occurs, and the related cash has been paid out by the *school*. Income arising from school fees is recognised when the event occurs whether cash is received or not. Expenditure arising from operations is recognised when the event occurs irrespective of receipt of cash.

**3. In-kind contributions**

In-kind contributions are donations that are made to the *school* in the form of actual goods and/or services rather than in money or cash terms. These donations may include vehicles, equipment, or personnel services. Where the financial value received for in-kind contributions can be reliably determined, the *school* includes such value in the statement of receipts and payments both as a receipt and as a payment in equal and opposite amounts; otherwise, the contribution is not recorded.

**4. Cash and cash equivalents**

Cash and cash equivalents comprise cash on hand and cash at bank, short-term deposits on call, and highly liquid investments with an original maturity of three months or less, which are readily convertible to known amounts of cash and are subject to an insignificant risk of changes in value. Bank account balances include amounts held at various financial institutions at the end of the financial year.

**5. Accounts Receivable**

For the purposes of these financial statements, imprests and advances to authorised public officers and/or institutions which were not surrendered or accounted for at the end of the financial year are treated as receivables. Accounts receivables also include school fees billed to parents for services rendered but not paid. This is an enhancement to the cash accounting policy. Other accounts receivables are disclosed in the financial statements.

**6. Accounts Payable**

For the purposes of these financial statements, deposits, and retentions held on behalf of third parties have been recognized as accounts payables. This is in recognition of the government practice of retaining a portion of contracted services and works pending the fulfilment of obligations by the contractor and to hold deposits on behalf of third parties. Payables also include expenditures incurred for the purchase of goods, works and services that have been rendered and not settled. This is an enhancement to the cash accounting policy adopted for public secondary schools. Other liabilities are disclosed in the financial statements.

**7. Non-current assets**

Non-current assets are expensed at the time of acquisition while disposal proceeds are recognized as receipts at the time of disposal. However, the acquisitions and disposals are reflected in the school fixed asset register a summary of which is provided as a memorandum to these financial statements.

**8. Budget**

The budget is developed on the same accounting basis (cash basis), the same accounts classification basis, and for the same period as the financial statements. The *school's* budget was approved by the School Board of Management. A comparison of the actual performance against the comparable budget for the financial year under review has been included in the financial statements.

**9. Comparative figures**

Where necessary comparative figures for the previous financial year have been amended or reconfigured to conform to the required changes in presentation.

**10. Subsequent events**

There have been no events subsequent to the financial year end with a significant impact on the financial statements for the year ended 30<sup>th</sup> June 2021

**IRIGITHATHI SECONDARY SCHOOL****Annual Report and Financial Statements For the six months ended 30<sup>th</sup> June 2021****11. Notes To the Financial Statements****1 Government Grants for Tuition**

<b>Description</b>	<b>2021</b>	<b>2020</b>
	<b>Kshs</b>	<b>Kshs</b>
Reference Materials	25,000	0
Exercise Books	150,000	0
Laboratory Equipment	180,000	0
Exams and assessment	125,000	0
Teaching / Learning Materials	66,186	815,850
Chalks	10,000	426
<b>Total</b>	<b>556,186</b>	<b>816,276</b>

*\*Include others as per MOE circulars***2 Government Grants for Operations**

<b>Description</b>	<b>2021</b>	<b>2020</b>
	<b>Kshs</b>	<b>Kshs</b>
Personnel Emoluments	593,936	1,657,175
Repairs And Maintenance	2,398,750	1,977,000
Local Transport / Travelling	324,791	441,000
Electricity And Water	324,791	441,000
Medical	0	138,200
Administration Costs	324,791	441,000
Activity	316,206	1,814,120
Other Vote Heads (specify)*	0	0
<b>Total</b>	<b>4,283,265</b>	<b>6,909,495</b>

*\*Include others as per MOE circulars***3 Government Grants for infrastructure**

<b>Description</b>	<b>Insert Current FY</b>	<b>Insert Comparative FY</b>
	<b>Kshs</b>	<b>Kshs</b>
Maintenance & Improvement	0	0
Transition infrastructure grants	0	0
Administration Block	0	0
Economic stimulus grants	0	0
Other (specify)(NGCDF and County govt.	0	0
<b>Total</b>	<b>0</b>	<b>0</b>

**IRIGITHATHI SECONDARY SCHOOL****Annual Report and Financial Statements For the six months ended 30<sup>th</sup> June 2021****4 School Fund Income - Parents Contribution/Fees**

<b>Description</b>	<b>2021</b>	<b>2020</b>
	<b>Kshs</b>	<b>Kshs</b>
Personnel emoluments	251,361	572,845
Repairs and maintenance	241,726	793,695
Local transport / travelling	19,648	318,284
Electricity and water	362,400	224,800
Medical	17,550	48,850
Administration costs	118,819	148,300
Activity	1,650	447,070
Fee on Boarding Equipment and stores	5,968,959	3,573,818
<b>Total</b>	<b>6,982,113</b>	<b>6,127,662</b>

*\*Includes all levies charged by the school outside the fees structure but by mutual agreement with the parents.*

**5 Miscellaneous Incomes**

<b>Description</b>	<b>2021</b>	<b>2020</b>
	<b>Kshs</b>	<b>Kshs</b>
Rent Income	xxx	xxx
Income From Farming Activities	xxx	xxx
Insurance Compensation	xxx	xxx
Income From Posho Mill	xxx	xxx
Income From Bus Hire	xxx	xxx
Fee For Hire of Ground and Equipment	xxx	xxx
Income From Grants and Donations*	xxx	xxx
Interest Income	xxx	xxx
Dividends Income	xxx	xxx
Loans/Borrowings*	xxx	xxx
Other Income ( <i>specify</i> )*	xxx	xxx
<b>Total</b>	<b>xxx</b>	<b>xxx</b>

*(Include an explanation on the kind and source of grants/ donations received by the school.)*

*\*Ensure proper authorization from MOE before obtaining loans/borrowings.*

*\*Indicate what other income relates to including income arising from writebacks if any.*

**IRIGITHATHI SECONDARY SCHOOL****Annual Report and Financial Statements For the six months ended 30<sup>th</sup> June 2021****6 Tuition**

<b>Description</b>	<b>2021</b>	<b>2020</b>
	<b>Kshs</b>	<b>Kshs</b>
Exercise Books	250,000	0
Textbooks	0	0
Chalks	366	150
Laboratory Equipment	100,000	0
Teaching / Learning Materials	546,183	1,592,721
Exams And Assessment	75,120	0
Teachers Guides	0	0
Bank Charges	0	0
Others ( <i>specify</i> )	0	0
<b>Total</b>	<b>971,669</b>	<b>1,592,871</b>

**7 Operations**

<b>Description</b>	<b>2021</b>	<b>2020</b>
	<b>Kshs</b>	<b>Kshs</b>
Personnel Emoluments	2,350,476	4,525,070
Creditors	623,491	0
Administration Cost	550,600	105,040
Repairs And Maintenance & Improvements	1,498,000	2,031,540
Local Transport / Travelling	219,750	43,000
Electricity And Water	271,100	97,000
Medical	0	0
Activity Expenses	211,900	1,056,428
Bank Charges	858	806
Others ( <i>specify</i> )	0	0
<b>Total</b>	<b>5,726,175</b>	<b>7,858,884</b>

**IRIGITHATHI SECONDARY SCHOOL****Annual Report and Financial Statements For the six months ended 30<sup>th</sup> June 2021****8 Infrastructure**

<b>Description</b>	<b>2021</b>	<b>2020</b>
	<b>Kshs</b>	<b>Kshs</b>
Construction of classrooms		
Construction of laboratory		
Construction of dormitory	600,240	1,900,000
Purchase of furniture	0	
Purchase of equipment		
Purchase of apparatus		
Drilling of boreholes		
Others (specify)		
<b>Total</b>	<b>600,240</b>	<b>1,900,000</b>

**9 Boarding And School Fund**

<b>Description</b>	<b>2021</b>	<b>2020</b>
	<b>Kshs</b>	<b>Kshs</b>
Personnel Emoluments	608,694	0
Repairs And Maintenance & Improvements	13,600	16,000
Local Transport / Travelling	24,000	41,000
Electricity And Water	374,755	213,250
Administration Costs	114,200	0
Bank Charges	5,100	0
Fee On Boarding Equipment and Stores	4,374,365	4,785,149
Activity	0	419,860
Farm	8,165	26,940
<b>Total</b>	<b>5,522,879</b>	<b>5,502,199</b>

*(Expenses on income generating activities\*\* should include all costs relating to the school earnings on miscellaneous receipts as recorded in note 5. These costs should include farm maintenance, posho mill maintenance, ground maintenance and costs incurred during hire of school bus among others).*

**IRIGITHATHI SECONDARY SCHOOL****Annual Report and Financial Statements For the six months ended 30<sup>th</sup> June 2021****10 Bank Accounts**

<b>Account Name &amp; Currency</b>	<b>Status</b>	<b>Bank Account Number</b>	<b>2021</b>	<b>2020</b>
	<b>Active/Dormant</b>		<b>Kshs</b>	<b>Kshs</b>
Tuition Account	Active	1102060984	160,301	79,601
Operations Account	Active	1102061166	110,829	21,110
School Fund Account/Boarding	Active	1102059080	266,155	334,067
Savings Account			0	0
Parent Association Development Account			0	0
Income Generating Activities Account			0	0
Infrastructural Account	Active	1115294709	200,859	0
<b>Total</b>			<b>738,145</b>	<b>434,778</b>

**11 Cash In Hand**

<b>Description</b>	<b>2021</b>	<b>2020</b>
	<b>Kshs</b>	<b>Kshs</b>
Notes and Coins	93,142	75,034
<b>Total</b>	<b>93,142</b>	<b>75,034</b>

**12 Short Term Investments**

<b>Description</b>	<b>2021</b>	<b>2020</b>
	<b>Kshs</b>	<b>Kshs</b>
Cooperative Shares	xxx	xxx
Treasury Bills	xxx	xxx
Fixed Deposit accounts	xxx	xxx
Other Investments	xxx	xxx
<b>Total</b>	<b>xxx</b>	<b>xxx</b>

**IRIGITHATHI SECONDARY SCHOOL****Annual Report and Financial Statements For the six months ended 30<sup>th</sup> June 2021****13 Accounts Receivable**

Description	2021	2020
	Kshs	Kshs
Fees Arrears	19,709,494	17,803,032
<b>Other Non-Fees Receivables</b>		
Salary Advances (list/schedule attached)	0	0
Imprest (list/schedule attached)	7,250	0
Rent arrears (list/schedule attached)	0	0
<b>Total</b>	<b>19,702,244</b>	<b>17,803,032</b>

**13 b) Ageing Analysis of Accounts Receivable**

Description	2021		2020	
	Kshs		Kshs	
	Current FY	% of the total	Comparative FY	% of the total
Less than 1 year	2,068,968	10%	1,550,681	9%
Between 1- 2 years	1,388,175	7%	1,065,220	6%
Between 2-3 years	1,065,220	5%	1,117,298	8%
Over 3 years	15,187,131	78%	15,529,754	77%
<b>Total (should tie to note 13 a)</b>	<b>19,709,494</b>	<b>100%</b>	<b>17,803,032</b>	<b>100%</b>

**14 Accounts Payable**

Description	2021	2020
	Kshs	Kshs
Trade Creditors (See Ageing Below and Appendix 1)	4,350,041	3,336,940
Prepaid Fees	Xxx	xxx
Retention Monies	Xxx	xxx
Unpaid salaries and statutory deductions	Xxx	xxx
Caution money	Xxx	xxx
Other payables (specify)	Xxx	xxx
<b>Total</b>	<b>4,350,041</b>	<b>3,336,940</b>

**IRIGITHATHI SECONDARY SCHOOL****Annual Report and Financial Statements For the six months ended 30<sup>th</sup> June 2021****14a. Ageing Analysis of Accounts Payable**

Description	2021		2020	
	Kshs		Kshs	
	Current FY	% of the total	Comparative FY	% of the total
Less than 1 year	2,909,373	67%	1,779,521	53%
Between 1- 2 years	1,076,898	25%	1,557,419	47%
Between 2-3 years	363,770	8%	0	0%
Over 3 years	0	0%	0	0%
<b>Total (should tie to note 14)</b>	<b>4,350,041</b>	<b>100%</b>	<b>3,336,940</b>	<b>100%</b>

**15 Fund Balance Brought Forward**

Description	2021	2020
	Kshs	Kshs
Bank Balances	435,878	803,406
Cash Balances	38,445	107,300
Short Term Investments	0	0
Receivables	19,709,494	17,803,032
Payables	(1,076,898)	(1,557,419)
<b>Total</b>	<b>19,106,919</b>	<b>17,636,839</b>

**IRIGITHATHI SECONDARY SCHOOL****Annual Report and Financial Statements For the six months ended 30<sup>th</sup> June 2021****Other important disclosure notes**

IPSAS Cash Standard encourages an entity to disclose accrual-related information in relation to an entity's assets and liabilities. The notes outlined below are disclosure notes in relation to the school's non-financial assets and liabilities.

**16 Non-current Liabilities Summary**

Description	Insert Current FY	Insert Comparative FY
	Kshs	Kshs
Bank Loans	xxx	xxx
Outstanding Leases	xxx	xxx
Hire Purchase	xxx	xxx
Gratuity And Leave Provision	xxx	xxx
Others (specify)	xxx	xxx
<b>Total</b>	<b>xxx</b>	<b>xxx</b>

**17 Biological assets**

Description	Numbers	Insert Current FY	Insert Comparative FY
		Kshs	Kshs
Cattle	7	xxx	xxx
Goats		xxx	xxx
Trees		xxx	xxx
Coffee Or Tea Plantation		xxx	xxx
Poultry		xxx	xxx
Others (specify)		xxx	xxx
<b>Total</b>		<b>xxx</b>	<b>xxx</b>

**18 Borrowings**

Description	Kshs	Kshs
Borrowings at beginning of the year	xxx	xxx
Borrowings during the year	xxx	xxx
Repayments during the year	(xxx)	(xxx)
<b>Balance at the end of the year</b>	<b>xxx</b>	<b>xxx</b>

**IRIGITHATHI SECONDARY SCHOOL****Annual Report and Financial Statements For the six months ended 30<sup>th</sup> June 2021**

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**Other important disclosure notes****19 Stock/ Inventory**

<b>Description</b>	<b>Insert Current FY</b>	<b>Insert Comparative FY</b>
	<b>Kshs</b>	<b>Kshs</b>
Food stuffs	XX	XX
Lab consumables	XX	XX
Farm produce	XX	XX
Medication	XX	XX
Construction Materials	XX	XX
Others (specify)	XX	XX
	<b>XX</b>	<b>XX</b>

*(Stock to be measured at lower of cost and net realisable value. Net realisable value is the difference between selling costs less costs to sell)*


**IRIGITHATHI SECONDARY SCHOOL**

**Annual Report and Financial Statements For the six months ended 30<sup>th</sup> June 2021**

**20 Progress On Follow Up of Auditor Recommendations**

The following is the summary of issues raised by the external auditor, and management comments that were provided to the auditor.

<b>Ref No.</b>	<b>Issue / Observations from Auditor</b>	<b>Management comments</b>	<b>Status: (Resolved / Not Resolved)</b>	<b>Timeframe: (Put a date when you expect the issue to be resolved)</b>



19.09.24

Sign and Date  
Principal



**IRIGITHATHI SECONDARY SCHOOL****Annual Report and Financial Statements For the six months ended 30<sup>th</sup> June 2021****12. Annexes****Annex I - Analysis of Pending Accounts Payable**

<b>Supplier Of Goods or Services</b>	<b>Original Amount</b>	<b>Date Contracted</b>	<b>Amount Paid To-Date</b>	<b>Outstanding Balance Current FY</b>	<b>Outstanding Balance Comparative FY</b>	<b>Comments</b>
	<b>A</b>	<b>b</b>	<b>C</b>	<b>d=a-c</b>		
	<b>Kshs</b>	<b>Kshs</b>	<b>Kshs</b>	<b>Kshs</b>	<b>Kshs</b>	
<b>Construction Of Buildings</b>						
1.						
2.						
3.						
<b>Sub-Total</b>						
<b>Supply Of Goods</b>						
4.						
5.						
<b>Sub-Total</b>						
<b>Supply Of Services</b>						
6.						
7.						
8.						
<b>Sub-Total</b>						
<b>Grand Total</b>						



**IRIGITHATHI SECONDARY SCHOOL****Annual Report and Financial Statements For the six months ended 30<sup>th</sup> June 2021****Annex 2 – Summary of Fixed Assets Register**

<b>Asset Class</b>	<b>Historical Cost b/f (Kshs) 1<sup>st</sup> July 20XX</b>	<b>Additions during the year (Kshs)</b>	<b>Disposals during the year (Kshs)</b>	<b>Historical Cost c/f (Kshs) 30<sup>th</sup> June 20XX</b>
Land				
Buildings And Structures				
Motor Vehicles				
Office Equipment, Furniture and Fittings				
Textbooks				
ICT Equipment				
Tools And Apparatus				
Other Machinery and Equipment				
Heritage And Cultural Assets				
Intangible Assets- Soft Ware				
<b>Total</b>				

*(The school should ensure that a detailed fixed assets register is maintained).*